



PHILLIPS PETROLEUM COMPANY

FARMINGTON, NEW MEXICO 87401
5525 HWY. 64 NBU 3004

March 13, 2000

New Mexico Oil Conservation Division
Attn: Charlie Perrin
1000 Rio Brazos Rd.
Aztec, NM 87410



Re: San Juan 29-6 Unit # 65A

Dear Mr. Perrin;

8-19-29N-6W
30-039-21248

As we discussed this morning, the subject well was successfully squeezed in June of 1999 to repair a casing leak. I was under the impression that the well was successfully returned to production after the squeeze then ceased to produce due to loading up with water from the leak reoccurring, when in fact it never did produce after the squeeze. We rigged up on the well in February of this year to run a packer and attempt to get the well producing. The assumption at the time we ran the packer was that the casing leak had returned. However, after the packer was run the casing was successfully tested to 500 psi. The well has since been swabbed with little success. The well is currently shut-in and we are periodically attempting to unload the well and get it producing. Please don't hesitate to call if you should have any questions about this well.

Sincerely,

Bryant J. Morris
Sr. Production Engineering Spec.